Federal Communications Commission 445 12th St., S.W. Washington, D.C. 20554

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DA 08-382

Released: February 14, 2008

PETITION OF FRONTIER COMMUNICATIONS FOR LIMITED WAIVER RELIEF UPON CONVERSION OF GLOBAL VALLEY NETWORKS, INC., TO PRICE CAP REGULATION

PLEADING CYCLE ESTABLISHED

WC Docket No. 08-18

COMMENTS DUE: March 14, 2008

REPLY COMMENTS DUE: March 28, 2008

On December 18, 2008, Frontier Communications (Frontier) filed a petition for a limited waiver of the Commission's rules to permit it to convert Global Valley Networks, Inc. (Global Valley), an acquired rate-of-return carrier participating in the interstate access tariffs of the National Exchange Carrier Association, Inc. (NECA), to price cap regulation under the CALLS structure. For switched access rates, Frontier proposes to "initialize Global Valley's access rates based on the authorized rate-of-return and then adapt them to the CALLS rate structure." Frontier states that "Global Valley's initial switched access rates will produce an Average Traffic Sensitive rate in the range of \$0.01 to \$0.0125." Once the initial rates are established, Frontier requests a waiver of section 61.3(qq) to "transition those rates down to the \$0.0095 target," rather than the \$0.0065 level that would otherwise be applicable, "in compliance with the existing price cap rule." Regarding special access rates, Frontier also proposes to "initialize Global Valley's price cap rates for special access at a level designed to recover the authorized rate-of-return," and contends that "further reduction in the rates are not required by the current price cap rules and would unnecessarily penalize Global Valley." Frontier also proposes that "Global Valley continue to receive Interstate Common Line Support (ICLS), but the level of support will be calculated

¹ Frontier Petition for Limited Waiver Relief upon Conversion of Global Valley Networks, Inc, to Price Cap Regulation, WC Docket No. 08-18 (filed Dec. 18, 2007) (Petition). Citizens Communications Company, the parent of the Frontier and Citizens incumbent local exchange carriers, completed its acquisition of Global Valley on October 31, 2007.

² Petition at 11.

³ *Id.* at 12.

⁴ *Id.* at 13-17. Although Frontier claims to meet the section 61.3(qq)(2) requirement of the Commission's rules that a holding company must average less than 19 lines per square mile to qualify for the \$0.0095 ATS target, it asserts that it does not meet the requirement that the lines were owned by such a holding company as of July 1, 2000. *Id.* at 13

⁵ *Id*. at 7.

like Interstate Access Support (IAS) and set at a per-line amount." Frontier states that "Global Valley's IAS-like funding will be less than the ICLS funding it would otherwise have received as a rate-of-return carrier"

Interested parties may file comments on or before March 14, 2008, and reply comments on or before March 28, 2008. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. Comments filed through the ECFS can be sent as an electronic file via the Internet to http://www.fcc.gov/cgb/ecfs/. Generally, only one copy of an electronic submission must be filed. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number, in this case WC Docket No. 08-18. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send an e-mail to ecfs.gov, and should include the following words in the body of the message, "get form <your e-mail address>." A sample form and directions will be sent in reply. Parties who choose to file by paper must file an original and four copies of each filing. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). Parties are strongly encouraged to file comments electronically using the Commission's ECFS.

The Commission's contractor, Natek, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, NE, Suite 110, Washington, DC 20002.

- The filing hours at this location are 8 a.m. to 7 p.m.
- All hand deliveries must be held together with rubber bands or fasteners.
- Any envelopes must be disposed of before entering the building.
- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.
- U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be addressed to 445 12th Street, SW, Washington, DC 20554.

All filings must be addressed to the Commission's Secretary, Marlene H. Dortch, Office of the Secretary, Federal Communications Commission, Room TW-A325, 445 12th Street, SW, Washington, DC 20554. Parties should also send a copy of their filings to Douglas Slotten, Pricing Policy Division, Wireline Competition Bureau, Federal Communications Commission, Room 5-A233, 445 12th Street, SW, Washington, DC 20554, or by e-mail to douglas.slotten@fcc.gov. Parties shall also serve one copy

⁶ *Id.* at 7, 17-22.

⁷ *Id.* at 7, 18.

⁸ See Electronic Filing of Documents in Rulemaking Proceedings, GC Docket No. 97-113, Report and Order, 13 FCC Rcd 11322 (1998).

⁹ If multiple docket or rulemaking numbers appear in the caption of a proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. Similarly, commenters filing paper copies must submit two additional copies for each additional docket or rulemaking number.

with the Commission's copy contractor, Best Copy and Printing, Inc. (BCPI), Portals II, 445 12th Street, SW, Room CY-B402, Washington, DC 20554, (202) 488-5300, or via e-mail to fcc@bcpiweb.com.

Frontier's petition and comments filed by participating parties will be available for public inspection and copying during business hours at the FCC Reference Information Center, Portals II, 445 12th St. SW, Room CY-A257, Washington, DC 20554. The documents may also be purchased from BCPI, telephone (202) 488-5300, facsimile (202) 488-5563, TTY (202) 488-5562, or by e-mail at fcc@bcpiweb.com. To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (TTY).

This matter shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules. Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentations must contain summaries of the substance of the presentations and not merely a listing of the subjects discussed. More than a one- or two-sentence description of the views and arguments presented generally is required. Other requirements pertaining to oral and written *ex parte* presentations are set forth in section 1.1206(b) of the Commission's rules.

For further information, contact Douglas Slotten of the Pricing Policy Division, Wireline Competition Bureau at (202) 418-1572.

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¹⁰ See 47 C.F.R. §§ 1.1200, 1.1206.

¹¹ 47 C.F.R. § 1.1206(b)(2).

¹² 47 C.F.R. § 1.1206(b).